

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE WESTERN PULASKI)	
COUNTY WATER DISTRICT FOR APPROVAL OF)	CASE NO.
INCREASED RATES FOR WATER SERVICE)	2006-00370

ORDER

On October 12, 2006, Western Pulaski County Water District ("Western Pulaski") filed its application for Commission approval of a proposed increase in water rates. Western Pulaski proposed to increase its annual revenue from water rates by 13.4 percent, or \$232,763 in additional water revenue. This proposal would increase the monthly water bill for 5,000 gallons of usage from \$23.50 to \$26.20, an increase of 11.5 percent.

By Order dated November 20, 2006, the Commission issued a Staff Report that was prepared upon review of Western Pulaski's test-year operations. Staff's report recommended that Western Pulaski's proposed rate increase be accepted. The Order granted 10 days to file written comments regarding the Staff Report or requests for a hearing or informal conference. No comments or requests for a hearing or informal conference were received in response to this Order.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and should be adopted as the findings of the Commission.

2. The rates in Appendix A will produce annual revenue from water service of \$2,026,588.

IT IS THEREFORE ORDERED that:

1. The findings contained in the Staff Report are adopted and incorporated by reference into this Order as if fully set out herein.

2. The rates in Appendix A are approved for service rendered by Western Pulaski on and after the date of this Order.

3. Within 30 days of the date of this Order, Western Pulaski shall file with the Commission its revised tariff setting out the rates approved herein.

4. Three years from the effective date of this Order, Western Pulaski shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service requirements.

Done at Frankfort, Kentucky, this 12th day of December, 2006.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00370 DATED December 12, 2006

The following rates and charges are prescribed for the customers in the area served by Western Pulaski County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES AND CHARGES

Rates: Monthly

5/8" x 3/4" Meter

First 2,000 gallons
Over 2,000 gallons

\$12.70 Minimum Bill
4.50 per 1,000 gallons

1" Meter

First 10,000 gallons
Over 10,000 gallons

\$48.70 Minimum Bill
4.50 per 1,000 gallons

1 1/2" Meter

First 15,000 gallons
Over 15,000 gallons

\$71.20 Minimum Bill
4.50 per 1,000 gallons

2" Meter

First 20,000 gallons
Over 20,000 gallons

\$93.70 Minimum Bill
4.50 per 1,000 gallons

Leak Adjustment

3.20 per 1,000 gallons